

**ASSEMBLY BILL**

**No. 2111**

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**Introduced by Assembly Member Campos**

February 23, 2012

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An act to amend Section 14025 of the Corporations Code, relating to small business financial development corporations.

LEGISLATIVE COUNSEL'S DIGEST

AB 2111, as introduced, Campos. Small business financial development corporations.

Existing law, the California Small Business Financial Development Corporation Law, creates the California Small Business Board and the California Small Business Expansion Fund. Existing law authorizes the formation of small business financial development corporations to grant loans from, or guarantee loans made by a financial institution or financial company against, moneys awarded to the corporation from the expansion fund for the purpose of stimulating small business development. Existing law authorizes or requires the director designated by the Secretary of Business, Transportation and Housing to perform specified duties.

This bill would require the director to cause the names of the financial institutions and financial companies making direct loans under the program to be posted on the agency's Internet Web site.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 14025 of the Corporations Code is  
2     amended to read:

- 1     14025. The director shall do all of the following:
- 2     (a) Administer this part.
- 3     (b) In accordance with program resources, stimulate the  
4 formation of corporations and the use of branch offices for the  
5 purposes of making this program accessible to all areas of the state.
- 6     (c) Expeditiously approve or disapprove the articles of  
7 incorporation and any subsequent amendments to the articles of  
8 incorporation of a corporation.
- 9     (d) Require each corporation to submit an annual written plan  
10 of operation.
- 11    (e) Review reports from the Department of Financial Institutions  
12 and inform corporations as to what corrective action is required.
- 13    (f) Examine, or cause to be examined, at any reasonable time,  
14 all books, records, and documents of every kind, and the physical  
15 properties of a corporation. The inspection shall include the right  
16 to make copies, extracts, and search records.
- 17    (g) *Cause the names of the financial institutions and financial*  
18 *companies making direct loans under the program to be posted*  
19 *on the agency's Internet Web site.*